

---

## EXPLANATORY NOTE

*(This note is not part of the Order)*

This Order increases the rates of Class 2 and Class 3 contributions specified in sections 11(1) and 13(1) of the Social Security Contributions and Benefits Act 1992 (“the Act”) from £2.20 to £2.30 and from £7.80 to £8.10. It also increases the amount of earnings specified in section 11(4) of the Act, below which an earner may be excepted from liability for Class 2 contributions from £4,635 to £4,825 (Articles 2 and 3).

The Order also increases, from £5,225 to £5,435 and from £34,840 to £40,040 respectively, the lower and upper limits of profits specified in sections 15 and 18, between which Class 4 contributions are payable at the main Class 4 percentage rate (Article 4).

Articles 2 to 4 of the Order also make provision for Northern Ireland corresponding to that in the preceding two paragraphs (the section numbers of the Social Security Contributions and Benefits (Northern Ireland) Act 1992 are the same as those in the Act).

In accordance with section 142(1) of the Social Security Administration Act 1992, a copy of the report by the Government Actuary (Cm. 7312), giving his opinion on the likely effect on the National Insurance Fund of the making of the Order, insofar as it amends sections 11(1), 11(4), 13(1), 15(3), 18(1) and 18(1A) of the Act, was laid before Parliament with the draft of this Order.

An impact assessment has not been prepared for this instrument as it has no impact on business, charities or voluntary bodies.